



# Service Acquisition Requirements Review Board (SARRB) Overview

08 August 2012

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# Report Documentation Page

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# SARRB Summary

## DON Initiative

Current business environment requires a focus on budget, acquisition value and accountability

## SPAWAR Perspective

Gain visibility, instill sound decision making principles, hold personnel accountable

### ***Initial SARRB:***

- ▼ Set a Baseline
- ▼ Discuss Organizational Strategy
- ▼ Evaluate Internal Oversight
- ▼ Evaluate Metrics
- ▼ Tripwire Formulation
- ▼ First Round Complete  
(2 May 2012)

### ***What We Found:***

- ▼ Tripwires Valuable for:
  - Labor Rates
  - Subcontractor Adds
  - Bridge Contracts
  - Competitive / Sole-Source
  - “One-Bids”
  - ODCs
  - Best Value
- ▼ Additional Focus Areas
  - CORs
  - Small Business
  - CPARS
  - WAWF
  - Training
  - PSC Codes / Archaic

### ***Next Steps:***

- ▼ Issue Tripwire Policy  
(Completed; 11 May 2012)
- ▼ Collect Tripwire Metrics
- ▼ Next Round Based on Tripwire  
Data; End of CY



# Tripwires to Address...

## ▼ Labor Rates:

- Pre-award: Proposed burdened rate in any category exceeds \$250K; SSA made aware and concurs; SPAWAR 2.0/2.0A approve
- Post-award: Actual Labor Rates > Proposed
  - CORS monitor monthly; growth above \$250K in any category PCO/PM informed; same for growth in excess of 15% in average labor rates
  - Greater than 20% growth in average labor rates, SPAWAR 2.0/ Chief of Contracting Office informed



# Tripwires to Address... (cont)

- ▼ Subcontractor Adds
  - Pass through, loss of competitive process
  - COR/PCO/ PM written approval required
- ▼ Bridge Contracts
  - Formal J&A process, PEO/TD/CO written approval required
- ▼ Competitive One-Bid / Sole Source
  - Existing policies emphasized with increased oversight
- ▼ ODCs
  - Pre-award: Target appropriate ratio of Labor/ODCs.
    - Exceeds 10% or \$3 million whichever is less; PM written concurrence required.
  - Post-award: Reduce materials purchased on ODCs.
    - Proposed increase in excess of 10% requires PM written concurrence and PCO approval.
- ▼ Best value
  - Greater than 10% cost delta between lowest acceptable offer and proposed awardee requires SPAWAR 2.0/2.0A approval



# Additional Focus Areas

- ▼ Contracting Officer's Representative (COR)
  - Continue to emphasize importance
  - Incentivize good performers, get quality people
- ▼ Small Business
  - Strong performance with respect to goals
  - Maintain focus, continue improvement
- ▼ CPARS
  - Accountability for industry partners
  - Emphasize quality not simply timeliness



# Additional Focus Areas (cont)

## ▼ WAWF Limitations

- Challenge to gain oversight of invoicing
- COR receipt and review of detailed invoices mandatory

## ▼ Training

- Continue increased COR Training
- Best practices for COR Invoice review

## ▼ PSC Codes

- Ensure alignment of PSC to DOD Acquisition of Services Taxonomy Portfolio Groups
- Improve PSC selection awareness and guidance



# Next Steps

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- ▼ Issue Tripwire Policy (Completed: 11 May 2012)
- ▼ Collect Tripwire Metrics
- ▼ Next Round Based on Tripwire Data; End of CY